

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 65th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Jeff Essmann, on February 10, 2017 at 8:00 AM, in Room 152
Capitol

ROLL CALL

Members Present:

Rep. Jeff Essmann, Chair (R)
Rep. Kelly Flynn, Vice Chair (R)
Rep. Tom Jacobson, Vice Chair (D)
Rep. Kim Abbott (D)
Rep. Becky Beard (R)
Rep. Mary Ann Dunwell (D)
Rep. Dave Fern (D)
Rep. Wylie Galt (R)
Rep. Jim Hamilton (D)
Rep. Adam Hertz (R)
Rep. Greg Hertz (R)
Rep. George G. Kipp III (D)
Rep. Steve Lavin (R)
Rep. Alan Redfield (R)
Rep. Bridget Smith (D)
Rep. Tom Welch (R)
Rep. Kerry White (R)

Members Excused:

Rep. Zach Brown (D)
Rep. Ron Ehli (R)
Rep. James O'Hara (R)

Members Absent: None

Staff Present: Margot Miltenberger, Committee Secretary
Megan Moore, Legislative Branch

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 411, 2/7/2017; HB 413, 2/7/2017
Executive Action on: SB 85; HB 309; HB 330; HB 343

Committee Business:

00:01:16 Megan Moore, Legislative Services Division (LSD)

[EXHIBIT\(tah30a01\)](#)

[EXHIBIT\(tah30a02\)](#)

[EXHIBIT\(tah30a03\)](#)

HEARING ON HB 411**Opening Statement by Sponsor:**

00:02:38 Rep. Adam Hertz (R), HD 96, opened the hearing on HB 411, Revise TIF laws regarding use of tax increment.

00:04:16 Rep. Z. Brown joined the meeting

00:06:28 Rep. O'Hara joined the meeting

Proponents:

00:09:16 Kevin Nelson, Self

Opponents:

00:12:29 Chris Behan, Missoula Redevelopment Agency (MRA)

[EXHIBIT\(tah30a04\)](#)

00:23:13 Brit Fontenot, City of Bozeman

00:25:55 Glenn Jorgenson, City of Helena

00:28:00 Kelly Lynch, Montana League of Cities and Towns (MLCT)

00:30:49 Karen Byrnes, Butte-Silverbow

00:32:50 Eric Bryson, Montana Association of Counties (MACo)

00:34:45 Mayor Bob Kelly, City of Great Falls

00:36:24 Mary McCormick, Butte-Silverbow

00:38:46 Bob Gilbert, City of Colstrip

Informational Witnesses: None**Questions from Committee Members and Responses:**

00:40:47 Rep. Beard

00:41:34 Karen Byrnes, Butte-Silverbow

00:42:58 Rep. Fern

00:46:37 Karen Byrnes, Butte-Silverbow

00:48:26 Rep. White

00:53:43 Chris Behan, MRA

00:54:24 Rep. G. Hertz

00:55:29 Chris Behan, MRA

00:56:47 Rep. G. Hertz

00:57:11 Rep. Jacobson

00:59:37 Chris Behan, MRA

01:00:38 Rep. Beard

01:03:11 Chris Behan, MRA

01:03:27 Rep. Z. Brown

01:03:47 Rep. A. Hertz

01:04:49 Rep. Z. Brown

01:05:08 Kelly Lynch, MLCT

01:06:38 Rep. Fern
 01:07:11 Chris Behan, MRA
 01:08:29 Rep. Flynn
 01:09:15 Eric Bryson, MACo
 01:10:40 Rep. B. Smith
 01:11:21 Rep. A. Hertz
 01:12:44 Rep. Kipp III
 01:16:13 Karen Byrnes, Butte-Silverbow
 01:17:56 Rep. G. Hertz
 01:21:08 Karen Byrnes, Butte-Silverbow
 01:22:16 Rep. Flynn
 01:23:16 Rep. A. Hertz
 01:23:42 Chair Essmann
 01:24:57 Karen Byrnes, Butte-Silverbow
 01:25:13 Chair Essmann
 01:26:36 Kelly Lynch, MLCT

Closing by Sponsor:

01:27:28 Rep. A. Hertz

01:32:36 Recessed

01:45:05 Reconvened, with Vice Chair Flynn taking the chair

HEARING ON HB 413

Opening Statement by Sponsor:

01:45:19 Rep. Jeff Essmann (R), HD 54, opened the hearing on HB 413, Revise laws related to use of tax increment financing.

Proponents:

01:52:04 Kevin Nelson, Self

Opponents:

01:58:55 Glenn Jorgenson, City of Helena
 02:03:01 Chris Behan, Missoula Redevelopment Agency (MRA)
 02:07:37 Kelly Lynch, Montana League of Cities and Towns (MLCT)
 02:13:46 Abigail St. Lawrence, Montana Building Industry Association (MBIA)
 02:17:47 Brit Fontenot, City of Bozeman
 02:18:58 Eric Bryson, Montana Association of Counties, (MACo)
 02:21:17 Mayor Bob Kelly, City of Great Falls
 02:22:32 Karen Byrnes, Butte-Silverbow
 02:26:28 Bob Gilbert, City of Colstrip

Informational Witnesses: None

Questions from Committee Members and Responses:

02:30:10 Rep. Fern
 02:30:55 Mayor Bob Kelly, Great Falls
 02:31:58 Rep. White
 02:35:27 Kelly Lynch, MLCT

02:35:51 Rep. White
02:36:32 Eric Bryson, MACo
02:37:12 Rep. Welch
02:38:13 Mayor Bob Kelly, Great Falls
02:38:49 Rep. A. Hertz
02:39:27 Brit Fontenot, City of Bozeman
02:39:46 Rep. A. Hertz
02:43:06 Rep. Essmann
02:44:43 Rep. Z. Brown
02:46:45 Eric Bryson, MACo
02:47:34 Rep. Fern
02:50:10 Kelly Lynch, MLCT
02:50:55 Rep. A. Hertz
02:53:09 Kelly Lynch, MLCT
02:53:32 Rep. G. Hertz
02:54:22 Kelly Lynch, MLCT
02:54:31 Rep. Jacobson
02:55:25 Kelly Lynch, MLCT
02:55:38 Vice Chair Flynn
02:56:25 Kelly Lynch, MLCT

Closing by Sponsor:

02:56:40 Rep. Essmann

03:03:09 Recessed

03:20:07 Reconvened

EXECUTIVE ACTION ON SB 85

03:20:58 **Motion:** Rep. Flynn moved that **SB 85 BE CONCURRED IN.**

Discussion:

03:21:07 Megan Moore, LSD

03:21:29 **Vote:** Motion carried unanimously by voice vote. Rep. Ehli, Rep. Galt, Rep. A. Hertz, Rep. G. Hertz, Rep. Lavin and Rep. White voted by proxy. Rep. Welch will carry the bill.

EXECUTIVE ACTION ON HB 343

03:22:22 **Motion:** Rep. Flynn moved that **HB 343 DO PASS.**

Discussion:

03:22:32 Megan Moore, LSD

03:22:49 **Substitute Motion/Vote:** Rep. Redfield made a substitute motion that **HB 343 BE TABLED.** Substitute Motion carried unanimously by voice vote. Rep. Ehli, Rep. Galt, Rep. A. Hertz, Rep. G. Hertz, Rep. Lavin and Rep. White voted by proxy.

EXECUTIVE ACTION ON HB 330

03:23:37 **Motion:** Rep. Abbott moved that **HB 330 DO PASS.**

Discussion:

03:23:35 Megan Moore, LSD

03:24:31 **Motion:** Rep. Fern moved that **HB 330 BE AMENDED.**
EXHIBIT(tah30a05)

03:25:28 **Vote:** Motion failed 8-12 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting aye. Rep. Ehli, Rep. Galt, Rep. A. Hertz, Rep. G. Hertz, Rep. Lavin and Rep. White voted by proxy.

03:26:00 Rep. A. Hertz joined the meeting

Discussion:

03:27:09 Rep. Abbott
03:27:55 Rep. Jacobson
03:28:56 Rep. Hamilton
03:31:54 Rep. Flynn
03:33:16 Rep. Redfield
03:33:49 Rep. Hamilton
03:34:02 Rep. Flynn
03:34:37 Rep. Beard

03:34:57 **Vote:** Motion failed 8-12 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting aye. Rep. Ehli, Rep. Galt, Rep. G. Hertz, Rep. Lavin and Rep. White voted by proxy.

03:36:34 **Substitute Motion:** Rep. Flynn made a substitute motion that **HB 330 BE TABLED AND THE VOTE REVERSED.** Motion was without objection.

EXECUTIVE ACTION ON HB 309

03:36:53 **Motion:** Rep. Dunwell moved that **HB 309 DO PASS.**

Discussion:

03:37:17 Rep. Dunwell

03:38:41 **Motion:** Rep. Dunwell moved that **HB 309 BE AMENDED.**
EXHIBIT(tah30a06)

Discussion:

03:40:19 Rep. Abbott

03:40:50 **Vote:** Motion failed 8-12 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting aye. Rep. Ehli, Rep. Galt, Rep. G. Hertz, Rep. Lavin and Rep. White voted by proxy.

03:42:22 **Motion:** Rep. Abbott moved that **HB 309 BE AMENDED.**
EXHIBIT(tah30a07)

Discussion:

03:42:32 Rep. Abbott

03:43:03 **Vote:** Motion carried unanimously by voice vote. Rep. Ehli, Rep. Galt, Rep. G. Hertz, Rep. Lavin and Rep. White voted by proxy.

03:43:31 **Motion:** Rep. Dunwell moved that **HB 309 DO PASS AS AMENDED.**

Discussion:

03:43:43 Rep. Dunwell

03:45:52 Rep. Redfield

03:46:32 Rep. Abbott

03:47:25 Rep. Z. Brown

03:48:37 Rep. Dunwell

03:49:54 Rep. Kipp III

03:52:37 **Vote:** Motion failed 8-12 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting aye. Rep. Ehli, Rep. Galt, Rep. G. Hertz, Rep. Lavin and Rep. White voted by proxy.

03:53:59 **Substitute Motion:** Rep. Flynn made a substitute motion that **HB 309 BE TABLED AND THE VOTE REVERSED.** Motion was without objection.

Committee Business:

03:54:19 Chair Essmann

03:54:45 Rep. Fern

03:54:51 Chair Essmann

03:55:10 Rep. Flynn

03:55:40 Chair Essmann

03:55:56 Rep. Fern

03:56:03 Chair Essmann

03:56:15 Rep. Flynn

03:57:11 Rep. Fern

03:57:34 Chair Essmann

03:58:20 Rep. Flynn

03:58:45 Rep. Z. Brown

03:59:06 Chair Essmann

04:00:01 Rep. Jacobson

04:00:10 Rep. Flynn

ADJOURNMENT

Adjournment: 04:02:28

Margot Miltenberger, Secretary

mm

Additional Documents:

EXHIBIT([tah30aad.pdf](#))